

Session 121 - (2015-2016)

H 4090 General Bill, By Bedingfield, Sandifer, G.A. Brown, Ballentine and Loftis

Summary: Pawnbrokers

A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 40-29-25 SO AS TO PROVIDE ACTIONS THAT REQUIRE A CERTIFICATE OF AUTHORITY AS A PAWN BROKER; BY ADDING SECTION 40-29-55 SO AS TO PROVIDE FOR THE PERIODIC ADJUSTMENT OF CERTAIN MONETARY REQUIREMENTS IN A CERTAIN MANNER; BY ADDING SECTION 40-29-145 SO AS TO HOLD ORDERS ON PROPERTY IN THE POSSESSION OF A PAWNBROKER SUSPECTED TO HAVE BEEN MISAPPROPRIATED OR STOLEN; BY ADDING SECTION 40-29-155 SO AS TO PROVIDE A PERSON AGGRIEVED BY THE FINAL ADMINISTRATIVE ORDER OF THE DEPARTMENT OF CONSUMER AFFAIRS MAY REQUEST A CONTESTED CASE HEARING BEFORE THE ADMINISTRATIVE LAW COURT, AND TO PROVIDE THE DEPARTMENT MAY BRING AN ACTION TO ENFORCE ITS ORDER IF THE PERSON FAILS TO TIMELY REQUEST A CONTESTED CASE HEARING; TO AMEND SECTION 40-39-10, RELATING TO DEFINITIONS CONCERNING THE REGULATION OF PAWNBROKERS BY THE DEPARTMENT, SO AS TO REVISE THE DEFINITION OF "PLEDGED GOODS" SPECIFICALLY TO EXCLUDE CERTAIN VEHICLES; TO AMEND SECTION 40-39-20, RELATING TO REGULATIONS OF PAWN BROKERS, SO AS TO REVISE REQUIREMENTS CONCERNING BACKGROUND CHECKS AND TO PROHIBIT THE EMPLOYMENT OF A PERSON CONVICTED OF A FELONY TO ENGAGE IN THE WORK OF A PAWNBROKER, SUBJECT TO CERTAIN EXCEPTIONS; TO AMEND SECTION 40-39-30, RELATING TO THE REQUIREMENT OF A CERTIFICATE OF AUTHORITY FOR EACH BUSINESS LOCATION OF A PAWNBROKER, SO AS TO PROVIDE A PAWNBROKER MAY RETAIN NO PLEDGED GOODS IN A LOCATION OTHER THAN THE LOCATION DESIGNATED IN THE CERTIFICATE OF AUTHORITY WITHOUT FIRST FILING A NOTIFICATION WITH THE DEPARTMENT ON A FORM PRESCRIBED BY THE DEPARTMENT, AND TO PROVIDE A PAWNBROKER CONSPICUOUSLY SHALL POST THE HOURS OF OPERATION AND ANY CLOSURE AT EACH LOCATION; TO AMEND SECTION 40-39-40, RELATING TO THE PROHIBITION ON UNAUTHORIZED FEES, SO AS TO PROVIDE A PAWNBROKER THAT COLLECTS SUCH UNAUTHORIZED FEES MAY NOT COLLECT, RECEIVE, OR RETAIN ANY INTEREST OR CHARGES ON THE LOAN IN VIOLATION OF THIS CHAPTER AND HAS NO RIGHT TO POSSESS THE PLEDGED GOODS; TO AMEND SECTION 40-39-50, RELATING TO BONDS AND OTHER EVIDENCE OF FINANCIAL RESPONSIBILITY REQUIRED FOR A CERTIFICATE OF AUTHORITY, SO AS TO REVISE AND DELETE SOME EXISTING REQUIREMENTS AND TO PROVIDE WITHIN TWENTY-ONE CALENDAR DAYS AFTER THE OCCURRENCE OF AN EVENT THAT MAY AFFECT PLEDGED GOODS, A PAWNBROKER SHALL FILE A WRITTEN NOTICE ON A FORM PRESCRIBED BY THE DEPARTMENT DESCRIBING THE EVENT AND ITS EXPECTED IMPACT UPON THE BUSINESS; TO AMEND SECTION 40-39-70, RELATING TO RECORD KEEPING REQUIREMENTS, SO AS TO INCLUDE SALES AMONG THE AFFECTED TRANSACTIONS, TO REQUIRE VERIFICATION OF THE IDENTITY OF A PLEDGOR OR SELLER IN A CERTAIN MANNER, AND TO PROVIDE A PAWN OR PURCHASE TRANSACTION MUST BE PERFORMED BY THE OWNER OF THE PROPERTY, OR HIS AUTHORIZED AGENT, WHOSE IDENTITY AND AGENCY RELATIONSHIP MUST BE VERIFIED BY THE PAWNBROKER; TO AMEND SECTION 40-39-80, RELATING TO THE ISSUANCE OF A MEMORANDUM OR NOTE AT THE TIME OF PAWNING OR PLEDGING, SO AS TO CHARACTERIZE THE MEMORANDUM OR NOTE AS A "PAWN TICKET" AND TO PROVIDE DETAILED, RELATED REQUIREMENTS; TO AMEND SECTION 40-39-100, RELATING TO PERMISSIBLE CHARGES ON LOANS BY PAWNBROKERS, SO AS TO REVISE THE MAXIMUM PERMISSIBLE AMOUNT; TO AMEND SECTION 40-39-120, RELATING TO THE RENEWAL OF A CERTIFICATE OF AUTHORITY, SO AS TO PROVIDE PENALTIES FOR FAILING TO TIMELY RENEW, AND TO PROVIDE REQUIREMENTS FOR A PAWN SHOP THAT MUST CLOSE BECAUSE OF A SURRENDER OR REVOCATION OF ITS CERTIFICATE OF AUTHORITY; TO AMEND SECTION 40-39-140, RELATING TO THE ACCEPTANCE OF PROPERTY OWNED BY A THIRD PARTY, SO AS TO PROVIDE CIRCUMSTANCES IN WHICH A PAWNBROKER MUST RETURN PLEDGED PROPERTY THAT HAD BEEN LEASED BY A SELLER OR PLEDGOR TO THE LESSOR OF THE PROPERTY, AND TO PROVIDE A PAWNBROKER IS NOT LIABLE TO THE PLEDGOR OR SELLER OF PROPERTY THAT IS RECOVERED BY A LESSOR FOR RETURNING THE PROPERTY TO A LESSOR; AND TO AMEND SECTION 40-39-150, RELATING TO FINES AND PENALTIES FOR VIOLATIONS, SO AS TO TRANSFER CERTAIN AUTHORITY CONCERNING THESE FINES AND PENALTIES FROM THE ADMINISTRATIVE LAW COURT TO THE DEPARTMENT.

04/29/15 House Introduced and read first time (House Journal-page 100)

04/29/15 House Referred to Committee on Labor, Commerce and Industry (House Journal-page 100)